

Exhibit 1

Position Statement

BEFORE THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

In Re:

Charge of Discrimination

by Hui M. (Nadine) Lee

Agency Charge No: 435-2018-00536

STATEMENT OF POSITION

MARKET AMERICA, INC.

Hui M. “Nadine” Lee was terminated from her position as a corporate trainer by Market America, Inc. (MA) on October 15, 2017. Ms. Lee filed a charge of discrimination against MA on March 27, 2018. Ms. Lee alleged discrimination based on age (57), national origin (Republic of China), and sex (female), but offers no specifics on alleged discriminatory acts except her dismissal. At the EEOC Mediation on June 7, 2018, Ms. Lee suggested two discriminating acts. First, she implied that her replacement was significantly younger. Second, she mentioned in passing that she should have been promoted to the position of Manager of Corporate Training. As will be more fully set forth below, MA justifiably terminated Ms. Lee for performance issues. The fact that Ms. Lee was replaced as a corporate trainer by Xiuman “Rose” Chaffin, a 54 year-old Chinese female, demonstrates conclusively the lack of merit to Ms. Lee’s charges against MA.

## Market America

MA is a product brokerage and an Internet one-to-one marketing company. It sells consumer products, principally dietary supplements, cosmetics, and personal care products. MA's channel of distribution is two-fold: through a sales force of independent distributors (known as "UnFranchise Owners") and via SHOP.COM, an Internet comparison shopping site. MA operates in the United States and eight international markets, Taiwan, Hong Kong, Singapore, Malaysia, Mexico, Canada, Australia, and the United Kingdom. Taiwan is the company's second largest market, comprising almost 48% of sales.

MA's world headquarters is located at 1302 Pleasant Ridge Road, Greensboro, NC. Greensboro has served as the corporate office since the company was founded in 1992. Currently, almost 600 people are employed by MA in Greensboro. Because a large proportion of the company's operations take place in the Republic of China, many Greensboro employees are of Taiwanese/Chinese national origin. These employees, in turn, serve as call center contacts for Taiwanese UnFranchise Owners.

Mandarin is the official language of the Republic of China. Hence, the ability to speak Mandarin is essential for call center employees in the MA workforce servicing our Taiwanese operations. Call center employees literally serve as the front-line to distributor inquiries. Accordingly, they must fully understand the MA business model, our compensation system, and our products, among other things.

MA invests heavily in its workforce, and had a corporate training staff of five at the time of Ms. Lee's termination. Led by a 41 year-old Hispanic woman with significant managerial skills and training experience garnered outside of MA, Liliana Camara, the training staff

included a 57 year-old Taiwanese woman (Ms. Lee), a 54-year old African-American woman, a 30 year-old African-American man, and a 20 year-old Hispanic woman.

#### Ms. Lee's Work History

Ms. Lee provided training on MA's "Management Performance Compensation Program (MPCP)", new programs launched by MA, account services training, and any training required in Mandarin. The MPCP determines commissions earned by independent distributors. MPCP training lasts 3 days, while customer service training takes six weeks. The training takes place at MA's headquarters in Greensboro and at other MA corporate offices. In some cases, the trainings are conducted in Mandarin, the native language of the customers who will interface with MA call center employees. Many of the call center employees are bilingual. However, in some cases, call center employees in our Greensboro headquarters do not speak English at all. So training in Mandarin, not English, is necessary.

Ms. Lee possesses a degree in Chemistry, and had no managerial experience prior to or during her tenure at MA. She was initially employed as an hourly distributor services representative. Ms. Lee later transferred to the training group (housed in the Human Relations Department) as a salaried corporate trainer. During the course of her employment, Ms. Lee reported to, among others, Manager of Corporate Training Amanda Clarida (2004-2013), Colbert Trotter (2014-2016), and Liliana Camara (2016-2017). Ms. Camara, who was initially hired as a Training Specialist in 2013, was Ms. Lee's supervisor at the time of her termination. Sherry Spesock served as Director of Human Resources from November 2015, and was Ms. Lee's upline supervisor and department head. See Exhibit 1 (organization chart).

### Performance Issues with Ms. Lee

Ms. Camara took over the training group on August 15, 2016. Unlike Ms. Lee, Ms. Camara assumed the role with over 15 years of bilingual and multi-cultural training and managerial experience. She created training programs for groups and individuals in both Latin America and the United States. Ms. Camara possessed a B.A. in Modern Languages from Universidad de Caldas (Colombia), a B.A. in Psychology from University of North Carolina at Greensboro, and a Master of Translation Studies from University of North Carolina of Charlotte. Ms. Lee, who complained of a prior personality conflict with Ms. Camara, asked to continue reporting to Ms. Trotter. This request was granted, and the arrangement lasted for some six months, until Ms. Trotter left MA in November, 2016. At that time, all corporate training employees, including Ms. Lee, reported to Ms. Camara.

Almost immediately, Ms. Lee complained that she did not want to perform training anymore. Ms. Lee's refusal to conduct trainings led to some ridiculous outcomes. At one point in 2016, Mandarin-speaking employees were instructed solely in English. While many were bilingual, some, as noted above, only spoke Mandarin. The end result was that those employees attended training but failed to understand the material. Despite Ms. Lee's push back, she was instructed to resume training in Mandarin- - as Ms. Lee was the one and only Mandarin speaker in the Corporate Training Group.

Ms. Lee grudgingly did so, but complaints surfaced regarding her performance. Trainees complained that the material was "rushed." Indeed, Ms. Lee rushed through one six-week training in four weeks, significantly diminishing the benefit provided to the attendees of the training. Other trainees reported that Ms. Lee refused to go through the training materials

thoroughly. The result of this behavior was that the new call center representatives had a superficial understanding of the company's operations, not enough to be effective call center attendants. See Declaration of Liliana Camara (Exhibit 3).

Meanwhile, the decision was made to streamline the company's training program. This transition included, among other things, the sharing and eventual standardization of training materials and the cross training of the training team. In 2017, the trainers were directed to transition training materials from Microsoft Word and PowerPoint to a software program known as "Confluence." Ms. Lee refused to comply with Ms. Camara's direction. Ms. Lee did not learn the Confluence program, and refused to participate in the project. Id.

Ms. Camara also made it clear during this time that she wanted to rotate different trainers through on various classes. Ms. Lee pushed back, claiming she was the "expert." To the extent other trainers instructed students on the MPCP, for example, Ms. Lee demanded that her materials were to be utilized. Id.

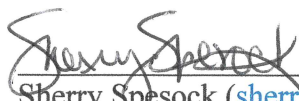
Due to the time zone difference between Taiwan and the Eastern United States, the call center operates on three shifts. At one point in 2017, Ms. Lee was required to conduct training for employees during the third shift (9:30 pm – 6:30 am). While Ms. Lee conducted the training, she refused to account to Ms. Camara for her hours. Id.

Finally, Ms. Lee spent four months in mid-2017, preparing for trainings related to MA's entry into the Malaysian market - - and then did not go to Malaysia. Id.

Taken together, Ms. Lee's supervisors concluded that she was not performing up to standard, was not aligned with department goals, and was not a team player. Ms. Lee was terminated on October 5, 2017.

Xiuman “Rose” Chaffin, a 54 year-old Chinese woman, replaced Ms. Lee. See Exhibit 2 (identification documents on Rose Chaffin). Ms. Chaffin shares the same gender and national origin as Ms. Lee, and was but three years younger. Stated simply, Ms. Lee was justifiably terminated and suffered no discrimination at the hands of Market America.

Respectfully submitted,



Sherry Spesock ([sherrys@marketamerica.com](mailto:sherrys@marketamerica.com))

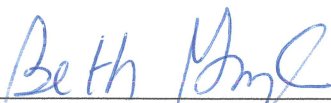
Director of Human Resources

Market America, Inc.

1302 Pleasant Ridge Road

Greensboro, NC 27409

(336) 544-6335



Clement Erhardt, General Counsel ([clemente@marketamerica.com](mailto:clemente@marketamerica.com))

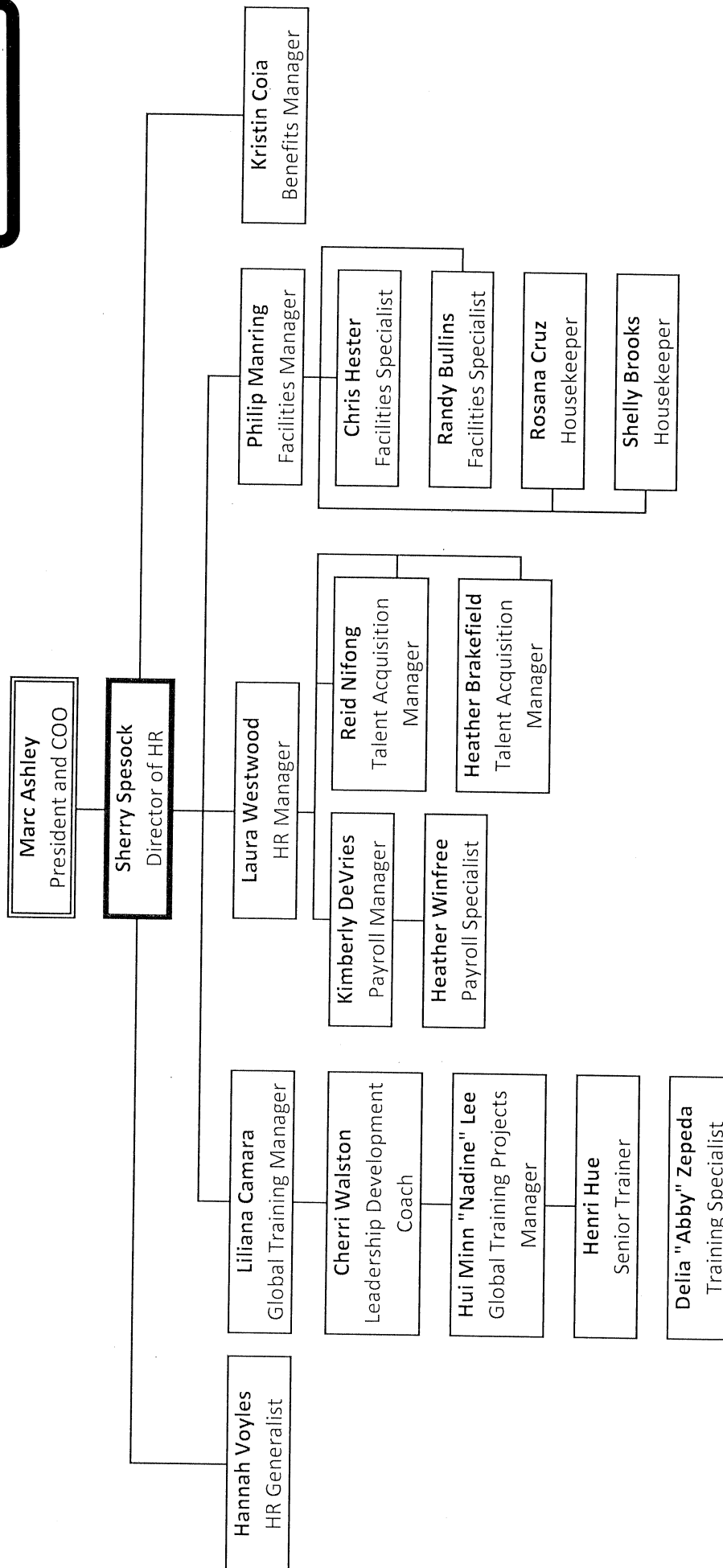
Beth Gmyrek, Senior Counsel ([bethg@marketamerica.com](mailto:bethg@marketamerica.com))

Market America, Inc.

1302 Pleasant Ridge Road

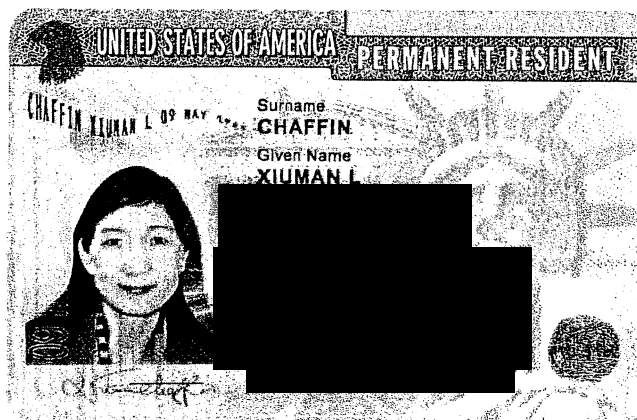
Greensboro, NC 27409

(336) 478-4160





## PERSONAL AND CONFIDENTIAL INFORMATION



---

**DECLARATION OF LILIANA CAMARA**

STATE OF NORTH CAROLINA   )  
  )  
COUNTY OF GUILFORD       )  
  )  
UNITED STATES OF AMERICA   )

ss.: Greensboro

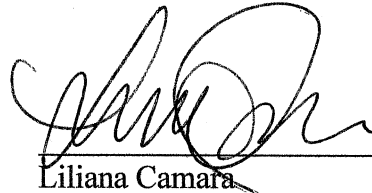
1. I, Liliana Camara, am over the age of 18 years, of sound mind, and am fully competent to make this declaration.
2. I was hired by Market America on November 4, 2013 as a Training Specialist, and was promoted to Senior Global Trainer on November 2, 2015.
3. My background and experience includes three college degrees: a B.A. in Modern Languages from Universidad de Caldas, a B.A. in Psychology from the University of North Carolina at Greensboro, and a Master in Translation Studies from the University of North Carolina at Charlotte. I joined Market America with prior training experience in Latin America and the United States, as well as prior managerial experience.
4. Nadine Lee was a staff member of the corporate training group when I joined the company. She was in charge of training employees on: the corporate version of the Management Performance Compensation Plan training, new programs launched by the company, and any training required in Mandarin.
5. On August 15, 2016, I was promoted to Global Training Manager. Nadine refused to report to me, so an accommodation was reached where Nadine reported to Colbert Trotter, Director of Global Talent and Organizational Development. This continued until

Colbert left Market America on November 11, 2016. At that time, I took over all training responsibilities, and Nadine reported to me.

6. I championed a number of initiatives in an effort to streamline the corporate training program. For example, I decided that the corporate training group would transition from Microsoft Office to a software program known as Confluence. Confluence promoted team collaboration. Nadine objected and refused to learn or work with the tool.
7. I also wanted all corporate trainers to be “cross trained” in all learning programs, rather than have one person solely responsible and capable with the material. Nadine objected to this, claiming that she was the only expert in certain aspects of the company and that she would only allow another trainer to conduct her trainings every once in a while, as long as she could monitor the training and only her materials were used. At the same time, she refused to conduct the Account Services version of the Management Performance Compensation Plan training, even when there were trainees with very limited English proficiency who will be mostly performing their work in Mandarin.
8. In 2017, there were numerous issues with Nadine’s work performance. In February, I explained to her that despite her refusal to conduct the Account Services training, she was going to have to do it since we had several trainees who needed the training in Mandarin and she was the only Mandarin speaker in the training team. She reluctantly agreed and planned to end the class two weeks earlier. Attendees complained to me that the material was rushed and incomplete.
9. Nadine was required to train the third shift in account services responsibilities. The training would take place outside of MA’s standard operating hours. Yet, Nadine refused to account for her hours to me.
10. Nadine also refused to conduct trainings or collaborate on team projects arguing that she was busy working on training programs for Malaysia that will last over a month, then she

only conducted a week worth of training for Malaysia and refused to discuss with me the reasons for the change.

11. Stated simply, Nadine did not accept the new vision of the corporate training group. She was uncooperative, and refused to participate in the group initiatives. She was not a team player, and was terminated for those reasons.
12. When I terminated Nadine, I replaced her with Xiuman "Rose" Chaffin, a 54 year-old Chinese female.



---

Liliana Camara